

## ORDINANCE NO. 03-18

An ordinance authorizing the refunding of the Town of Westfield Sewage Works Revenue Bonds of 1997, previously issued by the Town of Westfield to provide funds for the acquisition and construction by the Town of Westfield, Indiana, of certain improvements and extensions to its sewage works; providing for the collection, segregation and distribution of the revenues of the sewage works; and other related matters

WHEREAS, the Town of Westfield, Indiana (the "Town") has heretofore established, constructed and financed a municipal sewage works and now owns and operates the sewage works pursuant to IC 36-9-23, and other applicable laws; and

WHEREAS, pursuant to Amended and Restated Ordinances No. 93-9 and 93-15, adopted on June 14, 1993 and June 25, 1993, respectively (together, the "1993 Ordinances"), the Town has heretofore issued sewage works refunding revenue bonds under date of July 1, 1993 (the "1993 Bonds"), payable from the revenues of the sewage works, outstanding in the aggregate principal amount of Three Hundred Twenty Thousand Dollars (\$320,000), bearing interest at per annum rates ranging from 2.75% to 5.60%, maturing semiannually on March 1 and September 1, in the years 1993 to 2005 inclusive; and

WHEREAS, pursuant to Ordinance 97-02 and 97-11, adopted on February 10, 1997 and April 14, 1977 respectively (the "1997 Ordinance"), the Town has heretofore issued sewage works revenue bonds under date of March 1, 1997 (the "1997 Bonds") payable from the revenues of the sewage works, outstanding in the aggregate principal amount of Seven Million Six Hundred Five Thousand Dollars (\$7,605,000) bearing interest at per annum rates ranging from 5.375% to 5.5%, maturing annually on September 1, through and including September 1, 2019;

WHEREAS, pursuant to Ordinance 2002-11, adopted on February 11, 2002, as amended on April 8, 2002, the Town has heretofore issued its sewage works revenue bonds under date of May 22, 2002 (the "2002 Bonds") payable from the revenues of the sewage works, outstanding in the aggregate principal amount of Ten Million Three Hundred Fifty Five Thousand Dollars (\$10,355,000) bearing interest at per annum rates ranging from 2.29% to 5.58%, maturing annually on September 1 of the years 2003 through 2023;

WHEREAS, Section 19 of each of the above cited Ordinances authorizes the issuance of additional revenue bonds ranking on a parity with the 1993, 1997 and 2002 Bonds for the purpose of financing the cost of future additions, extensions, and improvements to the sewage works or to refund outstanding obligations, so long as certain conditions are met; and

WHEREAS, O. W. Krohn & Associates, certified public accountants, has been employed by the Town, has analyzed the records and finances of the sewage works, and has submitted preliminary evidence and findings demonstrating compliance with the conditions set forth in the 1993, 1997 and 2002 Ordinances for the issuance of additional revenue bonds payable out of the revenues of the sewage works, and ranking on a parity with the 1993, 1997 and 2002 Bonds; and

WHEREAS, the Town Council now finds that all conditions precedent to the authorizing the issuance of additional bonds ranking on a parity with the 1993, 1997 and 2002 Bonds and providing the necessary funds to be applied to the refunding of the 1997 Bonds and the authorized costs relating thereto, have been complied with in accordance with the provisions of each of the above cited Ordinances and the Act; and

WHEREAS, the Town Council consequently seeks to authorize the issuance of revenue bonds on a parity with the 1993, 1997 and 2002 Bonds to provide for the refunding of the 1997 Bonds pursuant to the Act and the sale of such revenue bonds or pursuant to the provisions of the Act, subject to and dependent upon the terms and conditions hereinafter set forth; and

WHEREAS, the Town Council deems it advisable to include all sewer availability fees and sewer tap fees and any similar fees in the net revenues of the sewage works pursuant to I.C. 36-9-23-29;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTFIELD, INDIANA THAT:

Section 1. The 2003 Bonds. In accordance with the Act and for the purpose of providing funds with which to refund the 1997 Bonds, together with authorized expenses relating thereto including the costs of issuance of the 1997 Bonds, as hereinafter defined, described below, the Town shall issue and sell its sewage works revenue bonds designated "Town of Westfield, Indiana, Sewage Works Refunding Revenue Bonds of 2003" in the aggregate principal amount not to exceed Nine Million Dollars (\$9,000,000), the exact amount to be determined by the Clerk-Treasurer, acting on the advice of the Town's financial advisor, at the time of sale (the "2003 Bonds"). The principal of, redemption premium, if any, and interest on the 2003 Bonds shall be payable on a parity with the 1993, 1997 and 2002 Bonds solely out of the Sewage Works Bond Sinking Fund (created by the 1993 Ordinance and continued by the 1997 Ordinance, the 2002 Ordinance and hereby) described in Section 15 hereof.

The 2003 Bonds shall be issued in the denomination of Five Thousand Dollars (\$5,000) each or integral multiples thereof not exceeding the principal amount of 2003 Bonds maturing in any one year, numbered consecutively from 03R-1 upward, and dated the date the Bonds are delivered. Interest shall be payable semiannually on March 1 and September 1 in each year, beginning on September 1, 2003. The 2003 Bonds shall be sold at a price of not less than 98.5% of the par value thereof. The 2003 Bonds shall bear interest at a rate or rates not exceeding 6.00% per annum (the exact rates to be determined by negotiation with the purchaser of the Bonds). Interest on the 2003 Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year. The 2003 Bonds shall mature annually on September 1 of each year over a period beginning no later than September 1, 2004 and ending no later than September 1, 2019. The final principal amount and amortization schedule for the 2003 Bonds shall be determined by the Clerk-Treasurer with the advice of O. W. Krohn & Associates, the Town's financial advisor, prior to the sale of the 2003 Bonds.

Interest on the 2003 Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the 2003 Bonds unless the 2003 Bonds are authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the 2003 Bonds are authenticated on or before \_\_\_\_\_, \_\_\_\_\_, in which case they shall bear interest from the original date until the principal shall be fully paid.

Section 2. Registrar and Paying Agent. The Clerk-Treasurer is hereby authorized to contract with a qualified financial institution to serve as Registrar and Paying Agent for the 2003 Bonds (the "Registrar" or "Paying Agent" and in both capacities the "Registrar and Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the 2003 Bonds. The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with the Registrar and Paying Agent as will enable the institution to perform the services required of a registrar and paying agent. The Clerk-Treasurer is further authorized to pay such fees as the Registrar and Paying Agent may charge for the services it provides as Registrar and Paying Agent and such fees may be paid from the Sinking Fund (established by the 1993 Ordinance and continued by the 1997 Ordinance, the 2002 Ordinance and hereby) as fiscal agency charges.

The principal of and redemption premium, if any, on the 2003 Bonds shall be payable at the principal corporate trust office of the Paying Agent. All payments of interest on the 2003 Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners thereof as the names appear as of the fifteenth day of the month preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner. All payments on the 2003 Bonds shall be made in any lawful money of the United States of America which, on the date of such payment, shall be legal tender for the payment of public and private debts.

Each 2003 Bond shall be transferable or exchangeable only upon the books of the Town kept for that purpose at the principal corporate trust office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such 2003 Bond together with a written instrument of transfer or exchange



authorized in writing, upon surrender of such 2003 Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered 2003 Bond or 2003 Bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the Town except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Town, Registrar and Paying Agent for the 2003 Bonds may treat and consider the person in whose name such 2003 Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving thirty (30) days' notice in writing to the Town and by first class mail to each registered owner of the 2003 Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) day period or upon the earlier appointment of a successor registrar and paying agent by the Town. Any such notice to the Town may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the Town, in which event the Town may appoint a successor registrar and paying agent. The Town shall notify each registered owner of the 2003 Bonds then outstanding by first class mail of the removal of the Registrar and Paying Agent. Notices to the registered owners of the 2003 Bonds shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the Town, the Clerk-Treasurer is authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the 2003 Bonds. The Clerk-Treasurer is further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the Sewage Works Sinking Fund (created by the 1993 Ordinance, by the 1997 Ordinance, the 2002 Ordinance, and continued hereby). Any predecessor registrar and paying agent shall deliver all of the 2003 Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

In the event any 2003 Bond is mutilated, lost, stolen or destroyed, the Town may cause to be executed and the Registrar may authenticate a new 2003 Bond of like date, maturity, and denomination as the mutilated, lost, stolen or destroyed 2003 Bond, which new 2003 Bond shall be marked in a manner to distinguish it from the 2003 Bond for which it was issued; provided, that in the case of any mutilated 2003 Bond, such mutilated 2003 Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed 2003 Bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Town and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed 2003 Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate 2003 Bond, the Registrar and Paying Agent may pay the same upon surrender of the mutilated 2003 Bond or upon satisfactory indemnity and proof of loss, theft or destruction in the case of a lost, stolen or destroyed 2003 Bond. The Town and the Registrar and Paying Agent may charge the owner of any such 2003 Bond with their reasonable fees and expenses in connection with the above. Every substitute 2003 Bond issued by reason of any 2003 Bond being lost, stolen or destroyed shall, with respect to such 2003 Bond, constitute a substitute contractual obligation of the Town pursuant to this Ordinance, whether or not the lost, stolen or destroyed 2003 Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other 2003 Bond duly issued hereunder.

In the event that any 2003 Bond is not presented for payment or redemption on the date established therefor, the Town may deposit in trust with the Paying Agent an amount sufficient to pay such 2003 Bond or the redemption price thereof, as appropriate, and thereafter the owner of such 2003 Bond shall look only to the funds so

deposited in trust with the Paying Agent for payment and the Town shall have no further obligation or liability with respect thereto.

**Section 3. Redemption of the 2003 Bonds.** The redemption provisions, including redemption dates and prices, for the 2003 Bonds shall be determined by the Clerk-Treasurer prior to the sale of such series of 2003 Bonds, with the advice of the Town's financial advisor.

Official notice of such redemption shall be mailed by the Registrar and Paying Agent by certified or registered mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to each of the registered owners of the 2003 Bonds called for redemption (unless waived by any such registered owner) at the address shown on the registration books of the Registrar and Paying Agent, or at such other address as is furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any 2003 Bond shall not affect the validity of the proceedings for the redemption of any other 2003 Bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and, in case of partial redemption, the respective principal amounts) of the 2003 Bonds called for redemption. The place of redemption may be at the principal office of the Registrar and Paying Agent or as otherwise determined by the Town. Interest on the 2003 Bonds (or portions thereof) so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such 2003 Bonds (or portions thereof) are presented for payment. Any 2003 Bond redeemed in part may be exchanged for a 2003 Bond or 2003 Bonds of the same maturity and series in authorized denominations equal to the remaining principal amount thereof.

In addition to the foregoing notice, the Town may also direct that further notice of redemption of the 2003 Bonds be given, including without limitation and at the option of the Town, notice described in paragraph (a) below given by the Registrar and Paying Agent to the parties described in paragraphs (b) and (c) below. No defect in any such further notice and no failure to give all or any portion of any such further notice shall in any manner defeat the effectiveness of any call for redemption of 2003 Bonds so long as notice thereof is mailed as prescribed above.

(a) If so directed by the Town, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all 2003 Bonds being redeemed; (ii) the date of issue of the 2003 Bonds as originally issued; (iii) the rate of interest borne by each 2003 Bond being redeemed; (iv) the maturity date of each 2003 Bond being redeemed; and (v) any other descriptive information needed to identify accurately the 2003 Bonds being redeemed.

(b) If so directed by the Town, each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the 2003 Bonds (such depositories now being The Depository Trust Company of New York, New York; Midwest Securities Trust Company of Chicago, Illinois; Pacific Securities Depository Trust Company of San Francisco, California; and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the 2003 Bonds (such as Financial Information, Inc.'s Financial Daily Called Bond Service, Kenny Information Service's Called Bond Service, Moody's Municipal and Government News Reports, and Standard & Poor's Called Bond Record).

(c) If so directed by the Town, each such further notice shall be published one time in The Bond Buyer of New York, New York or, if the Registrar believes such publication is impractical or unlikely to reach a substantial number of the holders of the 2003 Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the 2003 Bonds, such publication to be made at least thirty (30) days prior to the date fixed for redemption.

Upon the payment of the redemption price of the 2003 Bonds (or portions thereof) being redeemed and if so directed by the Town, each check or other transfer of funds issued for such purpose shall bear the CUSIP



number identifying, by issue and maturity, the 2003 Bonds (or portions thereof) being redeemed with the proceeds of such check or other transfer.

Section 4.      Execution and Negotiability. Each of the 2003 Bonds shall be executed in the name of the Town by the manual or facsimile signature of the President of the Town Council and attested by the manual or facsimile signature of its Clerk-Treasurer, and the seal of the Town shall be affixed, imprinted or impressed to or on each of the 2003 Bonds manually, by facsimile or any other means. In case any officer whose signature or facsimile signature appears on the 2003 Bonds shall cease to be such officer before the delivery of the 2003 Bonds, the signature of such officer shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Subject to the provisions of this Ordinance regarding the registration of the 2003 Bonds, the 2003 Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2003 Bonds shall also be authenticated by the manual signature of the Registrar, and no 2003 Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

Section 5.      Form of Bonds. The form and tenor of the 2003 Bonds shall be substantially as follows, all blanks to be filled in properly prior to delivery:

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF HAMILTON

Interest  
Rate

Maturity  
Date

Original  
Date

Authentication  
Date

CUSIP

TOWN OF WESTFIELD  
SEWAGE WORKS REFUNDING REVENUE  
BOND OF 2003

REGISTERED OWNER:

PRINCIPAL SUM:

The Town of Westfield, in Hamilton County, State of Indiana, for value received, hereby to pay to the Registered Owner named above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest hereon at the Interest Rate per annum stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before \_\_\_\_\_, 2003, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on the first day of March and September in each year, beginning on September 1, 2003. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year.

The principal of and premium, if any, on this bond is payable at the principal office of \_\_\_\_\_ (the "Registrar" or "Paying Agent"), in the \_\_\_\_\_ of \_\_\_\_\_, Indiana. All payments of interest on this bond shall be paid by check, mailed one business day prior to the interest payment date to the registered owner hereof as of the fifteenth day of the month preceding such interest payment date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the registered owner. All payments on the bond shall be made in any coin or currency of the United States of America which, on the dates of such payment, shall be legal tender for the payment of public and private debts.

THE TOWN SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE HEREINAFTER DESCRIBED SPECIAL, FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE TOWN WITHIN THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

The terms and provisions of this bond are continued on the reverse side hereof and such terms and provisions shall for all purposes have the same effect as though fully set forth at this place.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Town of Westfield, in Hamilton County, Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of its President of the town Council, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk-Treasurer.

TOWN OF WESTFIELD, INDIANA

By \_\_\_\_\_  
President, Town Council  
of the Town of Westfield

[SEAL]

Attest:

\_\_\_\_\_  
Clerk-Treasurer

#### REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

\_\_\_\_\_  
as Registrar

By \_\_\_\_\_  
Authorized Representative



(To be printed on Reverse Side)

This bond is one of an authorized issue of bonds of the Town of Westfield, Indiana (the "Town") of like date, tenor, and effect, except as to rates of interest and dates of maturity; aggregating \_\_\_\_\_ Dollars (\$) \_\_\_\_\_ numbered consecutively from 03R-1 up (the "Bonds"); issued for the purpose of refunding the outstanding Town of Westfield Sewage Works Revenue Bonds of 1997. This bond is issued pursuant to an Ordinance adopted by the Town Council of the Town on the 14th day of July, 2003, entitled "An ordinance authorizing the refunding of the Town of Westfield Sewage Works Revenue Bonds of 1997 previously issued by the Town of Westfield to provide for the acquisition and construction by the Town of Westfield, Indiana, of certain improvements and extensions to its sewage works; authorizing the issuance of Sewage Works Revenue Bonds of 2003 for such purpose; providing for the collection, segregation and distribution of the revenues of the sewage works; and other related matters" (the "Ordinance"), and in accordance with provisions of Indiana law, including, without limitation, IC 36-9-23 (hereinafter collectively, the "Act"), the proceeds of which bonds are to be applied solely to the Project, including the incidental expenses incurred in connection therewith.

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this bond and all other bonds of said issue, together with certain "Sewage Works Refunding Revenue Bonds of 1993" (the "1993 Bonds") outstanding on the Original Date hereof in a principal amount of Three Hundred Twenty Thousand Dollars (\$320,000) dated July 1, 1993, maturing annually on September 1 in the years 1993 to 2005 inclusive and ranking on a parity herewith, certain Sewage Works Revenue Bonds of 1997 outstanding on the Original Date hereof in the principal amount of Seven Million Six Hundred Five Thousand Dollars (\$7,605,000) dated March 1, 1997 (the "1997 Bonds") maturing annually on September 1 through and including September 1, 2019 and ranking on a parity herewith, and certain Sewage Works Revenue Bonds of 2002 outstanding on the original date hereof in the principal amount of Ten Million Three Hundred Fifty Five Thousand Dollars (\$10,355,000) dated May 22, 2002 maturing annually on September 1 of the years 2003 through 2023 (the "2002 Bonds") and ranking on a parity herewith, and any bonds hereafter issued on a parity herewith or therewith are payable solely from the Sewage Works Sinking Fund heretofore established pursuant to Amended and Restated Ordinances 1993-9 and 93-15 (the "1993 Ordinance") and continued by the 1997 Ordinance, the 2002 Ordinance and by the Ordinance (the "Sinking Fund") to be provided from the Net Revenues (herein defined as the gross revenues of the sewage works of the Town remaining after the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works now owned or hereafter acquired by the Town.

The Town of Westfield irrevocably pledges the entire Net Revenues of the sewage works to the prompt payment of the principal of and interest on the bonds authorized by the Ordinance, of which this is one, the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and any bonds ranking on a parity herewith or therewith, to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the utility as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the sewage works and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act, the 1993 Ordinance, the 1997 Ordinance and the 2002 the Ordinance. If the Town or the proper officers thereof shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

The Town further covenants that it will set aside and pay into its Sinking Fund monthly, as available, or more often if necessary, a sufficient amount of the Net Revenues of the works for payment of (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying bonds and interest, (c) the principal of all bonds which by their terms are

payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount as a margin of safety to create and maintain the debt service reserve required by the Ordinance.

The Bonds maturing on or after \_\_\_\_\_ 1, \_\_\_\_\_, shall be redeemable at the option of the Town, in whole or in part, on \_\_\_\_\_ 1, \_\_\_\_\_, or at any time thereafter, in amounts and maturities selected by the Town, and by lot within any such maturity or maturities by the Registrar, at a redemption price equal to \_\_\_\_\_ percent (\_\_\_\_%) of the principal amount of each such bond to be redeemed, plus accrued interest to the date of redemption, but without premium.

Subject to the provisions of the Ordinance permitting amounts to be credited toward a part or all of any one or more mandatory sinking fund requirement, the Bonds maturing on \_\_\_\_\_ 1, \_\_\_\_\_, are subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, but without premium, on \_\_\_\_\_ 1 of each year commencing \_\_\_\_\_ 1, \_\_\_\_\_, in the amounts set forth in the table below:

<u>Date</u>	<u>Amount*</u>
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\*Final maturity

Official notice of such redemption shall be mailed by the Registrar and Paying Agent by certified or registered mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to each of the registered owners of the Bonds called for redemption (unless waived by any such registered owner) at the address shown on the registration books of the Registrar and Paying Agent, or at such other address as is furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and, in case of partial redemption, the respective principal amounts) of the Bonds called for redemption. The place of redemption may be at the principal office of the Registrar and Paying Agent or as otherwise determined by the Town. Interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such Bonds (or portions thereof) are presented for payment. Any Bond redeemed in part may be exchanged for a Bond or Bonds of the same maturity and series in authorized denominations equal to the remaining principal amount thereof.

If this Bond shall not be presented for payment on the date fixed therefor, the Town may deposit in trust with its depository bank an amount sufficient to pay such bond and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment and the Town shall have no further obligation or liability in respect thereto.

This Bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the principal corporate trust office of the Registrar by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. This bond may be transferred without cost to the registered owner except for any tax or governmental charge required to be paid with respect to the transfer. The Town, the Registrar, the Paying Agent and any other registrar or paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.



In the event this Bond is mutilated, lost, stolen or destroyed, the Town may cause to be executed and the Registrar may authenticate a new bond of like date, maturity, and denomination as this bond, which new bond shall be marked in a manner to distinguish it from this bond; provided, that in the case of this bond being mutilated, this bond shall first be surrendered to the Registrar, and in the case of this bond being lost, stolen or destroyed there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Town and the Registrar, together with indemnity satisfactory to them. In the event that this bond, being mutilated, lost, stolen, or destroyed, shall have matured or been called for redemption, instead of causing to be issued a duplicate bond, the Registrar and Paying Agent may pay this bond upon surrender of this mutilated bond or upon satisfactory indemnity and proof of loss, theft or destruction in the case of this bond being lost, stolen or destroyed. The Town and the Registrar and Paying Agent may charge the owner of this bond with their reasonable fees and expenses in connection with the above. Every substitute bond issued by reason of this bond being lost, stolen or destroyed shall, with respect to this bond, constitute a substitute contractual obligation of the Town pursuant to this Ordinance, whether or not this bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Bonds duly issued hereunder.

This bond is subject to defeasance prior to payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the bonds as provided in the Ordinance if the Town Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the bonds.

The bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof.

#### ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ this bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney, to transfer the within bond to the books kept for the registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by a broker-dealer or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Section 6. Issuance, Sale and Delivery of the 2003 Bonds. The Clerk-Treasurer is hereby authorized and directed to have the 2003 Bonds prepared, and the President of the Town Council and the Clerk-Treasurer are each hereby authorized and directed to execute the 2003 Bonds in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver the 2003 Bonds to the purchaser or purchasers thereof after sale made in accordance with the provisions of the Act, and this Ordinance, provided that at the time of said delivery the Clerk-Treasurer shall collect the full amount which the purchaser or purchasers have agreed to pay therefor, which shall be not less than 98.5% of the par amount of the 2003 Bonds, plus accrued interest thereon to the date of delivery, if any. The proceeds derived from the sale of the 2003 Bonds shall be and are hereby set aside for application to the refunding of the 1997 Bonds, together with the expenses necessarily incurred in connection therewith including the expenses incurred in the issuance of the 2003 Bonds. The authorized officers of

the Town are hereby authorized and directed to draw all proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance.

The 2003 Bonds shall be sold through negotiation with an underwriter selected by the Clerk-Treasurer of the Town, with the advice of the Town's financial advisor. The 2003 Bonds shall be offered and sold pursuant to an Official Statement with respect to the 2003 Bonds (the "Official Statement"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission (the "Rule") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The Town Council hereby authorizes the Clerk-Treasurer (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended, for distribution as the Preliminary Official Statement of the Town, (b) on behalf of the Town, to designate the Preliminary Official Statement a "final" Official Statement of the Town with respect to the 2003 Bonds, subject to completion as permitted by and otherwise pursuant to the provisions of the Rule, (c) to authorize the Preliminary Official Statement to be placed into final form and to enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of up to 100 copies of the Official Statement at the expense of the Town and additional copies of the Official Statement at the expense of the purchaser or purchasers of the 2003 Bonds, and (d) to employ the firm of O. W. Krohn & Associates to serve the Town as financial advisor with respect to the 2003 Bonds and in connection with the preparation of the Official Statement, all on such terms as may be mutually acceptable to the parties.

Notice of any such mandatory sinking fund redemption shall be given in the same manner as notice of optional redemption is required to be given pursuant to Section 6 of this Ordinance.

In the event any of the 2003 Bonds are issued as Term Bonds, the form of the Bond set forth in Section 8 of this Ordinance shall be modified accordingly.

Any reference to payment of principal on 1997 Bonds shall include payment of scheduled mandatory sinking fund redemption payments described in this Section 9.

Prior to the delivery of the 2003 Bonds, the Clerk-Treasurer, subject to the direction of the Town Council, (i) shall be authorized to investigate, negotiate and obtain bond insurance, other forms of credit enhancement and/or credit ratings on such series of 2003 Bonds and (ii) shall obtain a legal opinion as to the validity of the 2003 Bonds from Baker & Daniels, Indianapolis, Indiana, bond counsel for the Town, with such opinion to be furnished to the purchasers of the 2003 Bonds at the expense of the Town. The costs of obtaining any such insurance, other credit enhancement and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the 2003 Bonds, shall be considered as a part of the cost of the Project and shall be paid out of the proceeds of such series of 2003 Bonds.

Section 7. Disposition of Proceeds of the 2003 Bonds; Town of Westfield 2003 Sewage Works Construction Account. (a) The accrued interest and premium received at the time of delivery of the 2003 Bonds, if any, shall be deposited to the Sewage Works Sinking Fund hereinafter described.

(b) The remaining proceeds from the sale of the 2003 Bonds shall be deposited into an irrevocable escrow account with a bank or banks which are legally qualified depositories for the funds of the Town, pursuant to a refunding escrow agreement (the "Escrow Account"). Amounts in the Escrow Account shall be expended only for the purpose of paying the principal of, premium and interest on the 1997 Bonds when due and for no other purpose.

Section 8. Financial Records and Accounts. The Town shall keep proper records and books of account separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues received on account of the operation of the sewage works and all disbursements made therefrom and all transactions relating to the utility. There shall be prepared and furnished, and distributed, as required by the



Rule and any agreement or undertaking of the Town pursuant to the Rule, financial, operating and other information relating to the town and the utility.

**Section 9. Pledge of Net Revenues.** The interest on and the principal of the 2003 Bonds issued pursuant to the provisions of this Ordinance, the 1993 Bonds, the 1997 Bonds, the 2002 Bonds, and any bonds hereafter issued on a parity therewith, shall constitute a first charge on all the Net Revenues (which shall include all sewer availability fees and sewer tap fees), and such Net Revenues are hereby irrevocably pledged to the payment of the interest on and principal of such 2003 Bonds, to the extent necessary for that purpose.

**Section 10. Revenue Fund.** All revenues derived from the operation of the sewage works and from the collection of sewer rates and charges shall be deposited in the Revenue Fund (which Revenue Fund was established and designated pursuant to the 1993 Ordinance, continued under the 1997 Ordinance, the 2002 Ordinance and is hereby continued), and segregated and deposited as set forth in this Ordinance. From these revenues the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the principal of, premium, if any, or interest on all bonds and fiscal agency charges of registrars or paying agents shall be paid, and the costs of replacements, extensions, additions and improvements shall be paid.

**Section 11. Operation Fund.** On the last day of each calendar month, revenues of the sewage works shall be transferred from the Revenue Fund to the Operation Fund (established and designated pursuant to the 1993 Ordinance, continued under the 1997 Ordinance, the 2002 Ordinance and continued hereby). The balance maintained in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two calendar months. The moneys credited to this Fund shall be used for the payment of the reasonable and proper operation, repair and expenses of the sewage works on a day-to-day basis. Any monies in said Fund may be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of, premium, if any, on, or interest on the outstanding bonds of the sewage works.

**Section 12. Sewage Works Sinking Fund.**

(a) A fund designated "Sewage Works Sinking Fund" was established and designated pursuant to the 1993 Ordinance, continued under the 1997 Ordinance, the 2002 Ordinance and is hereby continued as the sinking fund for the payment of the principal of and interest on revenue bonds which by their terms are payable from the Net Revenues of the sewage works and the payment of any fiscal agency charges in connection with the payment of bonds. There shall be set aside and deposited in the Sinking Fund, as available, and as hereinafter provided, a sufficient amount of the Net Revenues of the sewage works to meet the requirements of the Bond and Interest Account and Reserve Account established by the 1993 Ordinance, continued under the 1997 Ordinance, the 2002 Ordinance and hereby continued in the Sinking Fund. Such payments shall continue until the balances in the Debt Service Account and the Reserve Account equal the interest on and the principal of all of the then outstanding bonds of the sewage works to their final maturity.

(b) **Debt Service Account.** There shall be credited on the last day of each calendar month from the Revenue Fund to the Debt Service Account an amount of the Net Revenues equal to at least one-sixth (1/6) of the interest and at least one-twelfth (1/12) principal on the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and the 2003 Bonds and all then outstanding bonds payable on the then next succeeding principal and interest payment date until the amount of interest and principal payable on the then next succeeding interest and principal payment date shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying principal of and interest on outstanding bonds as the same become payable. The Town shall, from the sums deposited in the Sinking Fund and credited to the Debt Service Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(c) Reserve Account. Net Revenues of the sewage works shall be deposited into the Reserve Account of the Sewage Works Sinking Fund (created by the 1993 Ordinance and continued hereby) monthly, as available, as a reasonable reserve and a protection against default, up to an amount equal to the reserve requirement for (a) the 1993 Bonds (as set forth in the 1993 Ordinance), (b) the 1997 Bonds, (c) the 2002 Bonds, (d) the 2003 Bonds, (e) any bonds hereafter issued and payable by their terms from the net revenues of the sewage works (the "Reserve Requirement"). The reserve requirement for the 2003 Bonds shall equal but not exceed the least of (i) maximum annual debt service on the 2003 Bonds, (ii) 125% of average annual debt service on the 1995 Bonds or (iii) 10% of the proceeds of the 2003 Bonds. An amount of Net Revenues shall be credited to the Reserve Account on the last day of each calendar month until the balance therein equals but does not exceed the Reserve Requirement. The monthly deposits shall be equal in amount and sufficient to accumulate the Reserve Requirement within five years of the date of delivery of the 2003 Bonds. The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and the 2003 Bonds and the moneys in the Reserve Account shall be used to pay current principal and interest on the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and the 2003 Bonds to the extent that moneys in the Bond and Interest Account are insufficient for purpose. Any deficiency in the balance maintained in the Reserve Account shall be made up from the next available Net Revenues remaining after credits into the Bond and Interest Account. Any interest earnings that accumulate in excess of the Reserve Requirement shall be considered revenues of the sewage works.

Section 13. Sewage Works Improvement Fund. Any excess revenues may be transferred or credited from the Revenue Fund to a fund established and designated by the 1993 Ordinance and continued by the 1997 Ordinance, the 2002 Ordinance and continued hereby as the "Sewage Works Improvement Fund," and said Fund shall be used for improvements, replacements, additions and extensions of the sewage works. Moneys in the Sewage Works Improvement Fund shall be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds or, if necessary, to eliminate any deficiencies in credits to or minimum balance in the Reserve Account of the Sewage Works Sinking Fund or may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 14. Investment of Funds. The Sinking Fund shall be deposited in and maintained as a separate account or accounts from all other accounts of the Town. The Operation and Maintenance Fund and the Sewage Works Improvement Fund may be maintained in a single or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the Town and apart from the Sinking Fund account or accounts. All moneys deposited in the accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested in obligations in accordance with the applicable laws, including particularly Indiana Code 5-13, as amended or supplemented, and in the event of such investment, the income therefrom shall become a part of the funds invested and shall be used only as provided in this Ordinance.

Section 15. Defeasance of the 2003 Bonds. If, when the 2003 Bonds or a portion thereof shall have become due and payable in accordance with their terms, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the 2003 Bonds or a portion thereof then outstanding shall be paid; or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the 2003 Bonds or any designated portion thereof issued hereunder shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the Town's sewage works.



Section 16. Rate Covenant. The Town covenants and agrees that it will establish and maintain just and equitable rates or charges for the use of and the service rendered by the works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the sewage works by or through any part of the sewage system of the Town, or that in any way uses or is served by such works; that such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, and for the payment of the sums required to be paid into the Sinking Fund by the Act, the 1993 Ordinance, the 1997 Ordinance, the 2002 Ordinance and this Ordinance. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance of the sewage works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such works by and service rendered to the Town and all departments thereof, and shall be paid by the Town or the various departments thereof as the charges accrue.

Section 17. Additional Bond Provisions. The Town reserves the right to authorize and issue addition bonds payable out of the Net Revenues of its sewage works ranking on a parity with the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and the 2003 Bonds for the purpose of financing the cost of future additions, extensions and improvements to its sewage works, or to refund obligations, subject to the following conditions:

(a) All required payments into the Sinking Fund shall have been made in accordance with the provisions of this Ordinance, and the interest on and principal of all bonds payable from with the Net Revenues of the sewage works shall have been paid in accordance with their terms.

(b) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such bonds ranking on a parity with the 1993 Bonds, the 1997 Bonds, the 2002 Bonds and the 2003 Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the additional parity bonds proposed to be issued; or, prior to the issuance of the parity bonds the sewage rates and charges shall be increased sufficiently so that increased rates and charges applied to the previous year's operations would have produced net operating revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of all bonds payable from the revenues of the sewage works, including the additional parity bonds proposed to be issued.

For purposes of this subsection, the records of the sewage works shall be analyzed and all showings prepared by a certified public accountant employed by the Town for that purpose.

(c) The interest on the additional parity bonds shall be payable semiannually on the first days of March and September and the principal of the additional parity bonds shall be payable annually on September 1.

Section 18. Further Covenants of the Town: Maintenance, Insurance, Pledge Not To Encumber, Subordinate Indebtedness, and Contract with Bondholders. For the purpose of further safeguarding the interests of the owners of the 2003 Bonds, it is hereby specifically provided as follows:

(a) So long as any of the 2003 Bonds are outstanding, the Town shall at all times maintain the sewage works system in good condition, and operate the same in an efficient manner and at a reasonable cost.

(b) So long as any of the 2003 Bonds are outstanding, the Town shall maintain insurance on the insurable parts of the system, of a kind and in an amount such as is usually carried by private corporations engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana.

As an alternative to maintaining such insurance, the Town may maintain a self-insurance program with catastrophic or similar coverage so long as such program meets the requirements of any applicable laws or regulations and is maintained in a manner consistent with programs maintained by similarly situated municipalities.

All insurance or self-insurance proceeds shall be used either in replacing or restoring the property destroyed or damaged, or shall be deposited in the Sinking Fund.

(c) So long as any of the 2003 Bonds are outstanding, the Town shall not mortgage, pledge or otherwise encumber the property and plant of its sewage works system, or any part thereof, and shall not sell, lease or otherwise dispose of any part of the same, excepting only such machinery, equipment or other property as may be replaced, or shall no longer be necessary for use in connection with the utility.

(d) Except as otherwise specifically provided in Section 20 of this Ordinance, so long as any of the 2003 Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of the system shall be authorized, issued or executed by the Town, except such as shall be made junior and subordinate in all respects to the 1997 Bonds, unless all of the 2003 Bonds are redeemed or defeased coincidentally with the delivery of such additional bonds or other obligations.

(e) The Town shall take all actions or proceedings necessary and proper, to the extent permitted by law, to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The Town shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with the sewage works.

(f) The provisions of this Ordinance shall constitute a contract by and between the Town and the owners of the 2003 Bonds herein authorized, all the terms of which shall be enforceable by any bondholder by any and all appropriate proceedings in law or in equity. After issuance of the 2003 Bonds, this Ordinance shall not be repealed, amended or modified in any respect which will adversely affect the rights or interests of the owners of the 2003 Bonds, nor shall the Town Council or any other body of the Town adopt any law, ordinance or resolution in any way adversely affecting the rights of the bondholders so long as any of the 2003 Bonds, or the interest thereon, remain outstanding or unpaid. Except in the case of changes described in Section 22(a)-(f), this Ordinance may be amended, however, without the consent of bondowners, if the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the 2003 Bonds.

(g) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the 2003 Bonds herein authorized for the uses and purposes herein set forth, and the owners of the 2003 Bonds shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and of the Act. The provisions of this Ordinance shall also be construed to create a trust in the Net Revenues directed to be set apart and paid into the Sinking Fund for the uses and purposes of that Fund as this Ordinance sets forth. The owners of the 2003 Bonds shall have all the rights, remedies and privileges set forth in the provisions of the governing Act, including the right to have a receiver appointed to administer the sewage works in the event the Town shall fail or refuse to fix and collect sufficient rates and charges for those purposes, or shall fail or refuse to operate and maintain said system and to apply properly the revenues derived from the operation thereof, or if there be a default in the payment of the interest on or principal of the 2003 Bonds.

(h) None of the provisions of this Ordinance shall be construed as requiring the expenditure of any funds of the Town derived from any sources other than the proceeds of the 2003 Bonds and the operation of the sewage works system.

Section 19. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the 2003 Bonds issued pursuant to this Ordinance and then outstanding shall have the right from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the Town Council of the Town of such ordinance or ordinances supplemental hereto or amendatory hereof, as shall be deemed necessary or desirable by the Town for the purpose of modifying, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

- (a) An extension of the maturity of the principal of or interest on any 2003 Bond issued pursuant to this Ordinance; or
- (b) A reduction in the principal amount of any 2003 Bond or the redemption premium or the rate of interest thereon; or
- (c) The creation of a lien upon or a pledge of the revenues or Net Revenues of the sewage works ranking prior to the pledge thereof created by this Ordinance; or
- (d) A preference or priority of any 2003 Bond or 2003 Bonds issued pursuant to this Ordinance over any other 2003 Bond or 2003 Bonds issued pursuant to the provisions of this Ordinance; or
- (e) A reduction in the aggregate principal amount of the 1997 Bonds required for consent to such supplemental ordinance; or
- (f) A reduction in the Reserve Requirement.

If the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the 2003 Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk-Treasurer of the Town, no owner of any 2003 Bond issued pursuant to this ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Town Council of the Town from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Ordinance of the Town and all owners of 2003 Bonds then outstanding, shall thereafter be determined, exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the Town and of the owners of the 2003 Bonds authorized by this Ordinance, and the terms and provisions of the 2003 Bonds and this Ordinance, or any supplemental or amendatory ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the 2003 Bonds then outstanding.

Section 20. Tax Covenants. In order to preserve the exclusion of interest on the 2003 Bonds from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the 2003 Bonds (the "Code") and as an inducement to purchasers of the 2003 Bonds, the Town represents, covenants and agrees that:



(a) No person or entity other than the Town or another state or local governmental unit will use proceeds of the 2003 Bonds or property financed by the 2003 Bond proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by 2003 Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that differentiates that person's or entity's use of such property from use by the general public.

(b) No portion of the principal of or interest on the 2003 Bonds is (under the terms of the 2003 Bonds, this Ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the Town) in respect of such property or borrowed money used or to be used for a private business use.

(c) No 2003 Bond proceeds will be loaned to any person or entity other than another state or local government unit. No 2003 Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the 2003 Bond proceeds.

(d) The Town will not take any action nor fail to take any action with respect to the 2003 Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the 2003 Bonds pursuant to Section 103 of the Code, nor will the Town act in any other manner which would adversely affect such exclusion.

(e) It shall be not an event of default under this Ordinance if the interest on any 2003 Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the 2003 Bonds.

(f) The Town hereby covenants that it will rebate any arbitrage profits to the United States to the extent required by the Code and the regulations promulgated thereunder.

(g) These covenants are based solely on current law in effect and in existence on the date of delivery of such 2003 Bonds,

(h) The Town represents that the 2003 Bonds are not private activity bonds as described in Section 141 of the Code.

Section 21. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this ordinance (the "Tax Sections") which are designed to preserve the exclusion of interest on the 2003 Bonds from gross income under federal law (the "Tax Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve Tax Exemption.

Section 22. Conflicting Ordinances. Other than the 1993 Ordinance, the 1997 Ordinance and the 2002 Ordinance, all ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 23. Rates and Charges. The rates and charges to the several classes of users of property served by the works are as set forth in the form of ordinance attached hereto and incorporated by reference subject to proper enactment thereof by the Town Council in accordance with law.

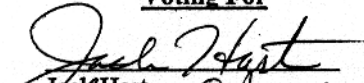
Section 24. Headings. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ordinance.

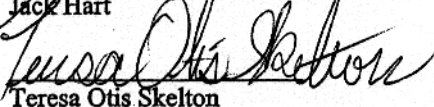
Section 25. Effective Date. This Ordinance shall be in full force and effect from and after its and approval by the President of the Town Council.

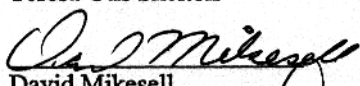
Passed and adopted by the Town Council of the Town of Westfield this 14th day of July, 2003.

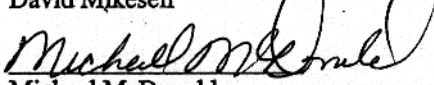
## WESTFIELD TOWN COUNCIL

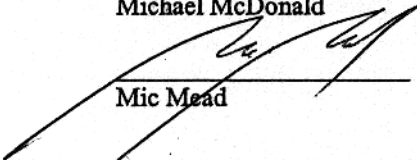
### Voting For

  
Jack Hart

  
Teresa Otis Skelton

  
David Mikesell

  
Michael McDonald

  
Mic Mead

### Voting Against

\_\_\_\_\_  
Jack Hart

\_\_\_\_\_  
Teresa Otis Skelton

\_\_\_\_\_  
David Mikesell

\_\_\_\_\_  
Michael McDonald

\_\_\_\_\_  
Mic Mead

### Abstain

\_\_\_\_\_  
Jack Hart


\_\_\_\_\_  
Teresa Otis Skelton

\_\_\_\_\_  
David Mikesell

\_\_\_\_\_  
Michael McDonald

\_\_\_\_\_  
Mic Mead

ATTEST:

  
Clerk-Treasurer, Cindy Gossard